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ABSTRACT

This four-part report presents a graphic and textual summary of the operating budget requested by the Illinois Community College Board (ICCB) for fiscal year (FY) 1982. Part I details: (1) allocations to the individual colleges, the State Community College of East St. Louis (SCCESL), the ICCB Office, the State University Retirement System, and the Illinois Building Authority; (2) changes in apportionment rates per credit hour in seven curricular areas between FY 1981 and FY 1982; and (3) major features of the budget relating to resource requirements, enrollment, unit costs, inflation, credit hour grants, local tuition and tax contributions, equalization funding, disadvantaged student grants, energy conservation, program development grants, and contributions from federal, state, and local revenues. Part II reviews enrollment trends and patterns of state aid that have emerged since the establishment of the ICCB in 1965. Part III discusses current financial problems posed by inflation, increased enrollments, the need for equalization funding, energy costs, and new program development. Finally, Part IV explains the calculations involved in determining credit hour grant fundings, resource requirements, local tax contributions, tuition and fee contributions, equalization funding, and disadvantaged student and apportionment grants. The report concludes with an explanation of SCCESL's General Revenue Fund Budget and a justification and explanation of the FY 1982 ICCB office's budget request. (JP)

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FY 1982 OPERATING BUDGET REQUEST

FOR THE

ILLINOIS PUBLIC COMMUNITY

COLLEGE SYSTEM

Illinois Community College Board
3085 Stevenson Drive
Springfield, Illinois 62703
Telephone: (217) 786-6000

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Illinois Community College Board

FY 1982 OPERATING BUDGET REQUEST
FOR THE
ILLINOIS PUBLIC COMMUNITY COLLEGE SYSTEM

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INTRODUCTION

This document represents the Illinois Community College Board (ICCB) FY 1982 Operating Budget Request for the Illinois Community College System. It includes a summary and highlights of the FY 1982 ICCB Operating Budget Request (Section I), recent developments in the Illinois community colleges (Section II), and the major financial problems of the Illinois community colleges in FY 1982 (Section III).

The explanation of the calculations of the FY 1982 ICCB Operating Budget Request is provided in Section IV with supporting documents immediately following Section IV. The supporting documents also include the 26 recommendations for the new funding plan approved last year by the Illinois Board of Higher Education and the Illinois Community College Board.

At its meeting on October 17, 1980, the Illinois Community College Board approved the FY 1982 Operating Budget Request for the Illinois Community College System subject to technical changes, which have been reflected within this document. This FY 1982 Operating Budget Request is now being submitted to the Illinois Board of Higher Education for its review and action. The ICCB Office will distribute addendums to this document as action on the FY 1982 ICCB Operating Budget Request for the Illinois Community College System is completed by the IBHE, the Governor's Office, and the Legislature.

Virginia L. Capriola
Assistant Director for
Financial Services

Ivan J. Lach
Associate Director for
Planning, Research, and MIS Services

I. SUMMARY OF THE FISCAL YEAR 1982 OPERATING BUDGET REQUEST FOR THE ILLINOIS PUBLIC COMMUNITY COLLEGE SYSTEM

The Illinois Community College Board has approved a Fiscal Year 1982 Operating Budget Request totaling $208,801,925 for the Illinois Community College System, as listed in Table I-1 on the next page and summarized by the five major sections below, to be submitted to the Illinois Board of Higher Education.

Apportionment Grants to Community Colleges	$166,040,400
State Community College of East St. Louis	5,234,200
ICCB Office	1,091,890
State University Retirement System Employer Contribution	23,828,325
Illinois Building Authority Rentals	12,607,110
TOTAL	$208,801,925

Apportionment Grants to Colleges

The ICCB has utilized the 26 recommendations developed by the Illinois Board of Higher Education (IBHE) Committee to Study Community College Finance to develop the FY 1982 ICCB Operating Budget Request for the Illinois Community College System. In addition to credit hour grants, totaling $134.9 million, the budget request includes special grants of $25 million for equalization funding, $5.6 million for disadvantaged student programs, $500,000 for energy conservation measures to be included in the credit hour grants, and $500,000 for new program development.

State Community College of East St. Louis

The FY 1982 budget request for State Community College of East St. Louis totals $5,234,200. Of this amount, state general revenue funds total $3,404,400; regular college operations total $3,234,400, moving expenses to the new facilities, which will be completed in FY 1982, amount to $125,000, and $45,000 is included for building repairs. It is projected that $315,000 will be received in the income fund and $1,514,800 will be received in the contracts and grants fund.

ICCB Office

The FY 1982 budget request for the ICCB Office totals $1,091,890 and includes funds for the addition of one position, some additional office space, the upgrading of the management information system, the acquisition of the 1980 U.S. Census Data for Illinois distributed by community college district, and other general price increases.

Illinois Community College Board

FY 1982 Operating Budget Request

Table I-1

SUMMARY OF FY 1982 OPERATING BUDGET REQUEST FOR THE ILLINOIS PUBLIC COMMUNITY COLLEGE SYSTEM

	FY 1981 Appropriation	FY 1982 ICCB Budget Request	Dollar Change From FY 1981	Percent Change From FY 1981
Grants to Colleges:				
Credit Hour Grants	$111,148,300*	$134,896,900	$23,748,600	21.4%
Disadvantaged Student Grants	5,100,000	5,600,000	500,000	9.8%
Equalization Grants	19,839,500	25,043,500	5,204,000	26.2%
New Program Grants	-0-	500,000	500,000	---
SUBTOTAL--GRANTS TO COLLEGES	$136,087,800	$166,040,400	$29,952,600	22.0%
SCC of East St. Louis:				
Personal Services	$ 2,495,300	$ 2,595,900	$ 100,600	4.0%
Contractual Services	325,000	333,000	8,000	2.5%
Commodities	20,000	40,000	20,000	100.0%
Equipment	17,000	17,000	-0-	0.0%
Data Processing	58,000	58,000	-0-	0.0%
Telecommunications	30,000	50,000	20,000	66.7%
Auto Expense	10,000	10,000	-0-	0.0%
Travel	10,000	10,000	-0-	0.0%
Printing	17,500	17,500	-0-	0.0%
Awards and Grants	103,000	103,000	-0-	0.0%
SUBTOTAL--SCC GRF OPERATING FUNDS	$ 3,085,800	$ 3,234,400	$ 148,600	4.8%
SCC Moving Expenses	-0-	125,000	125,000	---
SCC Building Repair	-0-	45,000	45,000	---
SUBTOTAL--SCC GRF FUNDS	$ 3,085,800	$ 3,404,400	$ 318,600	10.3%
ICCB Office:				
Personal Services	$ 595,526	$ 679,010	$ 83,484	14.0%
Contractual Services	119,437	145,822	26,385	22.1%
Travel	33,705	39,386	5,681	16.9%
Commodities	9,630	6,925	-2,705	-28.1%
Printing	4,280	8,825	4,545	106.2%
Equipment	3,210	10,500	7,290	227.1%
Telecommunications	22,185	24,182	1,997	9.0%
Data Processing	133,827	175,240	41,413	30.9%
Operation of Automotive Equipment	-0-	2,000	2,000	---
SUBTOTAL--ICCB OFFICE	$ 921,800	$ 1,091,890	$ 170,090	18.5%
SUBTOTAL STATE GRF REQUEST	$140,095,400	$170,536,690	$30,441,290	21.7%
IBA Rentals	$ 12,607,110	$ 12,607,110	---	---
SURS Retirement State Share:				
Community Colleges and SCC	$ 7,447,500	$ 23,687,700	$16,240,200	218.1%
ICCB Office	62,700	140,625	77,925	124.3%
SUBTOTAL SURS RETIREMENT	$ 7,510,200	$ 23,828,325	$16,318,125	217.3%
TOTAL STATE GRF REQUEST	$160,212,710	$206,972,125	$46,759,415	29.2%
SCC of East St Louis Income Fund	$ 325,000	$ 315,000	$ -10,000	-3.1%
SCC Contracts and Grants Fund	1,514,847	1,514,800	-47	---
SUBTOTAL--SCC - NON-GRF FUNDS	$ 1,839,847	$ 1,829,800	$ -10,047	-0.5%
TOTAL ICCB APPROPRIATION	$162,052,557	$208,801,925	$46,749,368	28.8%

	FY 1979	FY 1980		
Community College Annual Apportionment FTE Enrollments (Excluding SCC) upon which the budget is based.	161,800	172,384	10,384	6.5%

*Includes $1.9 million for supplemental ABE/ASE funding.

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Illinois Community College Board

Table I-2

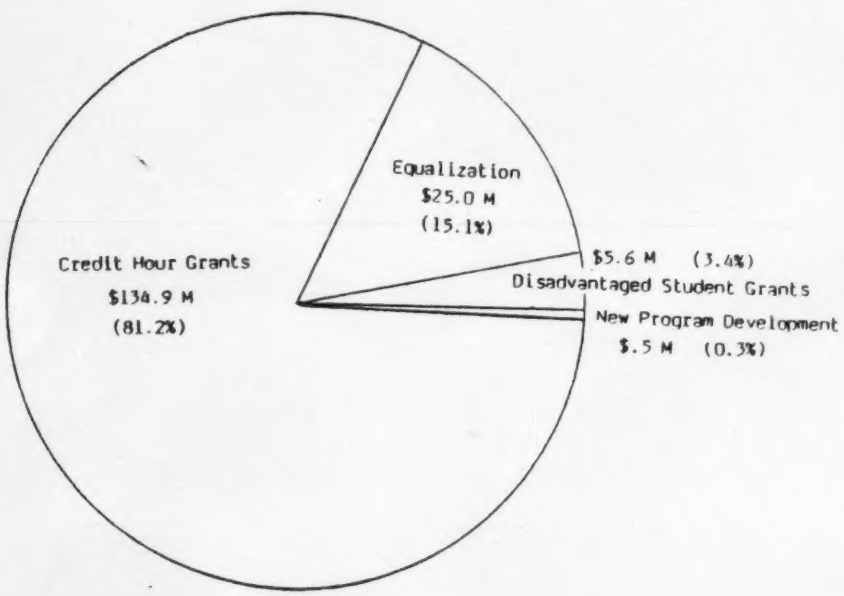
COMPARISON OF FY 1982 CREDIT HOUR RATES WITH
CREDIT HOUR RATES IN THE FY 1981 APPROPRIATION FOR THE
ILLINOIS PUBLIC COMMUNITY COLLEGES

	FY 1981 Appropriated Credit Hour Rates (Based on 161,800 FTE)	FY 1982 ICCB Request Credit Hour Rates (Based on 172,384 FTE)	Change From FY 1980	Percent Change
Baccalaureate	$ 28.18	$ 31.77	$ 3.59	12.7%
Business Occupational	17.67	20.87	3.20	18.1%
Technical Occupational	28.61	31.06	2.45	8.6%
Health Occupational	42.07	52.24	10.17	24.2%
Remedial/Developmental	9.25	26.65	17.40	188.1%
ABE/ASE	8.28*	11.73	3.45	41.7%
General Studies	4.19	7.64	3.45	82.3%
Average Rate	$ 22.50	$ 26.08	$ 3.58	15.9%

*Supplemental funding for ABE/ASE courses was appropriated which provided an additional $3.54 per credit hour to downstate districts and $2.22 per credit hour for Chicago.

Figure 1

GRANTS TO COLLEGES BY TYPE OF GRANT
AT THE FY 1982 ICCB BUDGET REQUEST LEVEL



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HIGHLIGHTS OF THE FY 1982 ICCB OPERATING BUDGET REQUEST FOR THE ILLINOIS PUBLIC COMMUNITY COLLEGE SYSTEM

The state funding plan developed in 1979 by the Illinois Board of Higher Education (IBHE) Committee to Study Community College Finance and approved by both the Illinois Community College Board (ICCB) and IBHE is being utilized for the FY 1982 Operating Budget Request for the system of public community colleges in Illinois. The emphasis in this request is placed on keeping up with inflation, particularly in salary, utility, library, and general cost increases, and on fully implementing the 26 recommendations of the plan. The following factors summarize the major features of the FY 1982 ICCB Operating Budget Request and have been keyed for reference to the specific recommendation item(s) of the plan. (See Section K of the Technical Appendix to this document.)

1. Resource Requirements for Instructional Activities (Recommendation #1) The projected resource requirements for instructional activities for the Illinois Public Community College System for FY 1982 amount to $403.5 million.

2. Actual FY 1980 Enrollments (Recommendations #4 and #25) -- The FY 1980 enrollment was 172,384 FTE, which is an increase of 10,584 FTE (6.5%) over actual enrollments of 161,800 FTE in FY 1979.

3. Actual FY 1980 Unit Costs (Recommendation #2) -- The actual FY 1980 average net instructional unit cost is $65.34, which is a 5.6% increase over the net instructional unit cost of $61.86 in FY 1979.

4. Inflation Factors (Recommendation #3) -- The following inflationary increases for FY 1982 have been utilized:

Staff Compensation	10%
Utilities	18%
Library Materials	15%
General Price Increase	10%

The requested increases are based in part on the projections of two of the leading independent economic forecasters, (1) Chase Econometrics and Data Resources, Inc., and (2) the Halstead's Higher Education Price Index, which reflects the cost increases for goods and services consumed within the higher education arena. Adjustments were made to determine the utility cost increase based upon the mix of types of utilities within the community colleges as reported in their individual planning documents for FY 1982.

A weighted average of these inflation factors amounts to a 10.42% increase for FY 1982. Combining this 10.42% increase for FY 1982 with the inflation factor of 7.87% used in the FY 1981 appropriation brings the total compounded inflation factor for two years (FY 1981 and FY 1982) to 19.11%.

5. Credit Hour Grants (Recommendations #16, #17 and #18) -- The FY 1982 ICCB Operating Budget Request includes $134.9 million for credit hour grants to be distributed by seven instructional categories at the following rates: Baccalaureate - $31.77; Business Occupational - $20.87; Technical Occupational - $31.06; Health Occupational - $52.24; Remedial/Developmental - $26.65; ABE/ASE - $11.73; and General Studies - $7.64. The average credit hour rate is $26.08.

6. Standard Local Tuition/Fee Contribution (Recommendation #11) -- The statewide weighted average student tuition/fee rate of $15.85, which is the actual weighted average for Fall 1980 (FY 1981) as reported to the Illinois State Scholarship Commission, has been utilized as the standard student tuition/fee contribution in calculating the funding formula for the FY 1982 ICCB Operating Budget Request. The use of this tuition standard establishes the policy that the colleges should not be required to increase their tuition/fee rates from FY 1981 to FY 1982. This standard amounts to 19% of the projected FY 1982 unit cost for all non ABE/ASE courses. The total tuition/fee contribution amounts to $67.7 million.

7. Standard Local Tax Contribution (Recommendation #12) -- Based upon a three-year average growth rate of 8.4% for equalized assessed valuations, and other adjustments as provided for in the funding formula, the projected standard local tax revenues for FY 1982 amount to $97.6 million.

8. Equalization Funding (Recommendations #22 and #23) -- Tax base equalization funding, which totals $24.3 million and includes 1¢ for public service activities, is based on a combination of real estate equalized assessed valuations and corporate personal property tax replacement revenue. This method takes into consideration both gains and losses of individual colleges by netting the difference between the amount calculated for colleges which are eligible for EAV equalization and the amount calculated for colleges which are eligible for corporate personal property tax replacement revenue equalization. Tax rate equalization funding totaling $0.7 million is included for four eligible districts with low tax rates.

9. Disadvantaged Student Grants (Recommendations #7 and #19) -- Disadvantaged Student Grants totaling $5.6 million are included in the FY 1982 ICCB Operating Budget Request. A basic grant of $20,000 per college will be awarded to each college upon approval of the program, and the remaining amount of the grants will be distributed based on FY 1980 credit hour enrollment in the Remedial/Developmental and ABE/ASE courses. This procedure is the same as the allocation method utilized in FY 1981. The overall inflationary factor for FY 1982 of 10.42% has been applied to the FY 1981 Disadvantaged Student Grants appropriation of $5.1 million in order to obtain the $5.6 million.

10. Energy Conservation Funds (Recommendation #3) -- An amount of $500,000 to be applied at the rate of approximately 10¢ per credit hour in the FY 1982 ICCB Operating Budget Request has been provided for funding of energy audits and energy conservation maintenance in an effort to reduce the level of energy consumption and to offset the effects of cost increases in these areas. The FY 1981 budget appropriation included $385,300 in the credit hour grants for these purposes.

11. New Program Development Grants (Recommendation #6) -- An amount of $500,000 has been included in the FY 1982 ICCB Operating Budget Request for the purpose of providing funds for new program development grants. These grants are designed to provide funding for the initiation of the development of programs that are determined to have high priority but cost a great deal of money to plan and develop.

12. Contributions from Miscellaneous Federal, State, and Local Revenues and State Board of Education Categorical Support (Recommendations #13, #14, #15, #20 and #21) -- The standard local contribution from other federal, state and local revenues is based on the percentage of FY 1980 total expenditures financed from these sources as reported in the individual planning documents of the community colleges. This percentage, which is 14.16% of total resource requirements as projected in the FY 1982 ICCB Operating Budget Request, amounts to $60.3 million. Based on figures provided by the Department of Revenue, it is estimated that $15 million from corporate personal property tax replacement revenues will be available for community colleges' operations in FY 1982. Based on projections provided by the State Board of Education, it is estimated that $15.4 million will be available for DAVTE occupational grants and $4.7 million will be available for ABE/ASE grants.

13. Resource Requirements for Public Service Activities (Recommendation #8) -- The projected resource requirements for public service activities for the Illinois Public Community College System for FY 1982 amount to $23.2 million. This amount is based on actual FY 1980 expenditures as reported in the unit cost study, adjusted by the two-year inflation factor of 19.11%.

II. RECENT DEVELOPMENTS IN THE ILLINOIS COMMUNITY COLLEGES

The Illinois public community college system came into existence by legislative enactment in 1965. During the first decade of existence, the public community colleges experienced dramatic growth in student enrollments, development of comprehensive educational programs, and expansion of territory served by community college districts. At present the 39 public community college districts, comprised of 52 community colleges, include 95% of the State's population, cover over 90% of the State's land area, and enroll nearly one-half of all students enrolled in credit courses in higher education in Illinois. Results from statewide follow-up studies show that community college transfer students are successful at the four-year colleges and universities, and that former occupational/career students are successful in obtaining employment and are very satisfied with their careers.

Increased Enrollments

Community colleges, by design, serve a very diverse population with multiple needs. In earlier years, most students enrolling in community colleges chose the baccalaureate-oriented programs which are designed for students to transfer to a four-year institution. In recent years, there have been increasing enrollments in occupational/technical and remedial/developmental programs. Many adults, as well as recent high school graduates, attend the community colleges on a part-time basis while being employed full-time.

During periods of high unemployment community college enrollments are drastically affected. Many former part-time students who become unemployed attend a community college on a full-time basis. In addition, many recent high school graduates, who in the past have gone directly from high school to employment, enroll at a community college when they cannot find employment. These students turn to the community colleges to prepare for careers which are in demand in our present technically-oriented society.

During the recession of 1975 and 1976, which was accompanied by a rather high unemployment rate in Illinois, the enrollments in the public community colleges increased by over 20% annually, far exceeding the enrollment projections. During the next few years, as the unemployment rate decreased, full-time enrollments in community colleges decreased, even though the number of high school graduates and the number of persons 18 to 24 years of age was still increasing.

The current recession and high unemployment rates in Illinois during the last half of the previous fiscal year (FY 1980) and continuing into the first half of FY 1981 have again produced dramatic increases in enrollments at the community colleges. FY 1980 annual FTE enrollments were up 6.5% over the previous year and fall term FY 1981 FTE enrollments are up 11% over the fall term of FY 1980.

During years of high unemployment, a serious financial strain is placed on community colleges because of their willingness to help as many of these additional students as possible to acquire new or additional career training so that they may regain employment. In order to be able to hire more faculty, many colleges must defer equipment purchases and delay maintenance schedules, which ultimately results in higher costs in future years.

Current changes in the population by age groups in Illinois show that the number of people in the 18 through 24 age group will be decreasing during the next five years, while the number of people ages 25 through 49 will be increasing. This change in population is likely to cause the total number of students in the community colleges to remain relatively stable, with the part-time student enrollments increasing and the full-time student enrollments decreasing. Hence, community colleges can anticipate a return to more stable enrollment levels following an upswing in the economy and a return to much lower unemployment levels.

Past State Financing

The community colleges are funded through a combination of local taxes, State funding provided through the ICCB, student tuition, and other miscellaneous federal, local and state sources. There have been four significant changes in State funding since the formation of the ICCB in 1965. From FY 1966 through FY 1971, colleges received the same rate of funding (called a flat-rate grant) for each student semester credit hour. From FY 1966 through FY 1969, all courses were funded at $11.50 per student semester credit hour and in FY 1970 through FY 1972 at $15.50 per student semester credit hour.

The first significant change occurred in FY 1972 when equalization grants, which provide additional State aid for districts with low assessed valuations per student, were added to the flat-rate grant.

During FY 1973 through FY 1976, a second major change occurred when various other kinds of categorical funding were added, including grants for disadvantaged student programs, non-credit public service programs, non-business occupational courses, and instructional programs at correctional institutions.

A third major change occurred in FY 1977 when the recommendations of the IBHE "Blue Ribbon" Committee were implemented. The basic effect of these recommendations was to provide variable funding for enrollments in different types of courses depending upon the unit cost of the courses. The single flat-rate grant was replaced by eight credit hour grant rates.

The fourth major change in the State funding formula came about as a result of the recommendations of the IBHE Committee to Study Community College Finance, which concluded its work in 1979 for implementation of the FY 1981 budget. These recommendations, which were approved by both the ICCB and IBHE, provided for some major revisions to the "Blue Ribbon" formula but did retain the basic concept of variable rates based on unit cost for enrollments in various types of courses.

III. MAJOR FINANCIAL PROBLEMS OF THE ILLINOIS COMMUNITY COLLEGES IN FY 1982

THE COMBINATION OF HIGH INFLATION WITH INCREASED ENROLLMENTS HAS PLACED A SERIOUS FINANCIAL BURDEN ON ALL OF THE ILLINOIS COMMUNITY COLLEGES.

Inflation

Inflation has been the major financial problem for public community colleges in recent years, just as it has been for industries and for individuals. In general, the increases in assessed valuations, which are the basis for local tax revenue for community colleges, have not kept pace with the increase in inflation. State funding through credit hour rates also has not kept pace with inflation. The very high rate of inflation during recent years has eroded the purchasing power for acquiring goods and services as well as for salaries paid to faculty and staff in the Illinois public community colleges. Although the community college faculty and staff have been receiving salary increases yearly, these increases have not been adequate to off-set inflation or to keep current with the salaries offered by competing institutions and employers in the private sector. The gap between increases in the cost of living and salaries paid to community college faculty is illustrated in Figure 2 on Page 10.

Results of the Fall 1979 ICCB Salary Survey also demonstrate the problem that inflation is creating with faculty and staff salaries in the community colleges. For the Fiscal Year 1980, the average salary increase to continuing faculty members in Illinois public community colleges was 7.2%; however, the increase in the Consumer Price Index for FY 1980 was 13.3%. The projections for FY 1981 and FY 1982 are for continued double-digit inflation.

Increased Enrollments

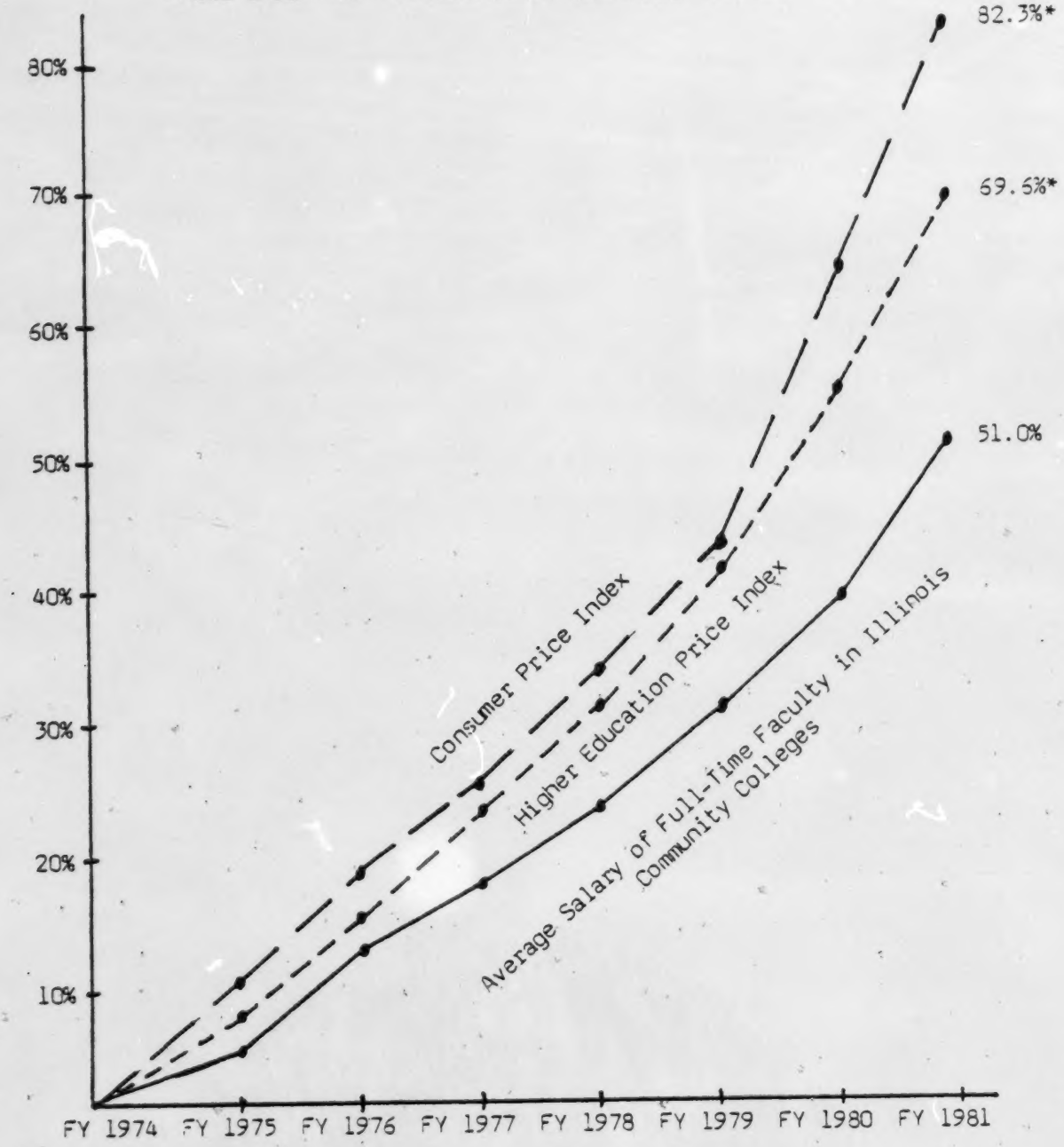
The new state funding plan has the feature of utilizing actual enrollments which have been realized two years prior to the budget year. This feature has many advantages, including increased credibility and known amount of state support at the beginning of each fiscal year. However, during periods of rapidly increasing enrollments, the community colleges are required to absorb the increased costs of serving additional students for a two-year period before these enrollments will be utilized in the funding formula.

While the nation has been in a recession for the past year, the Illinois community colleges have experienced an enrollment increase from FY 1979 to FY 1980 of 6.5%. In addition, the enrollment figures for the fall of 1980 (FY 1981) are at a record high of a 10.9% increase from the fall of 1979. The community colleges are being forced to reallocate internally in order to meet the needs of their students while attempting to continue to provide quality educational programs.

Illinois Community College Board

Figure 2

COMPARISON OF INCREASE OF AVERAGE FULL-TIME FACULTY SALARIES IN ILLINOIS PUBLIC COMMUNITY COLLEGES WITH THE HIGHER EDUCATION PRICE INDEX AND THE CONSUMER PRICE INDEX SINCE FY 1974



*Uses an 11% projected increase for the CPI and a 9% projected increase for the HEPI for FY 1981.

Equalization Among Districts

Among community college districts in Illinois there is a wide variation in "wealth" in terms of the assessed value of property to be taxed per in-district student. Equalization funding is needed to insure that each district is able to meet the standard contribution from local tax revenues which is included in the funding formula. Figure 3 on the next page shows the theoretical local tax revenue available per eligible FTE student based on applying the statewide standard tax rate to each district's equalized assessed valuation and combining this amount with each district's corporate personal property tax replacement revenue per eligible student.

In addition, a number of community college districts were established with inadequate taxing authority in the 1960's and have been trapped by the unpopularity of tax increases in the 1970's. Even with adequate assessed valuation, some of these districts are unable to provide the expected standard local tax contribution per student because of inadequate tax rates. These districts are and will continue to be in a very serious financial bind until they can pass a local tax rate increase referendum.

Energy Costs

The public community colleges need additional funds for energy audits and energy conservation maintenance programs. In addition, many community colleges have been participating with the Illinois Institute of Natural Resources in monitoring their energy usage and have applied for federal energy conservation grants, which require 50% local matching funds. The ICCB is requesting energy funds to provide state assistance to help defray these additional expenditures. In the long run, such funds could save many state and local dollars which are now required for high energy costs; therefore, they are an investment which should have a high return rate.

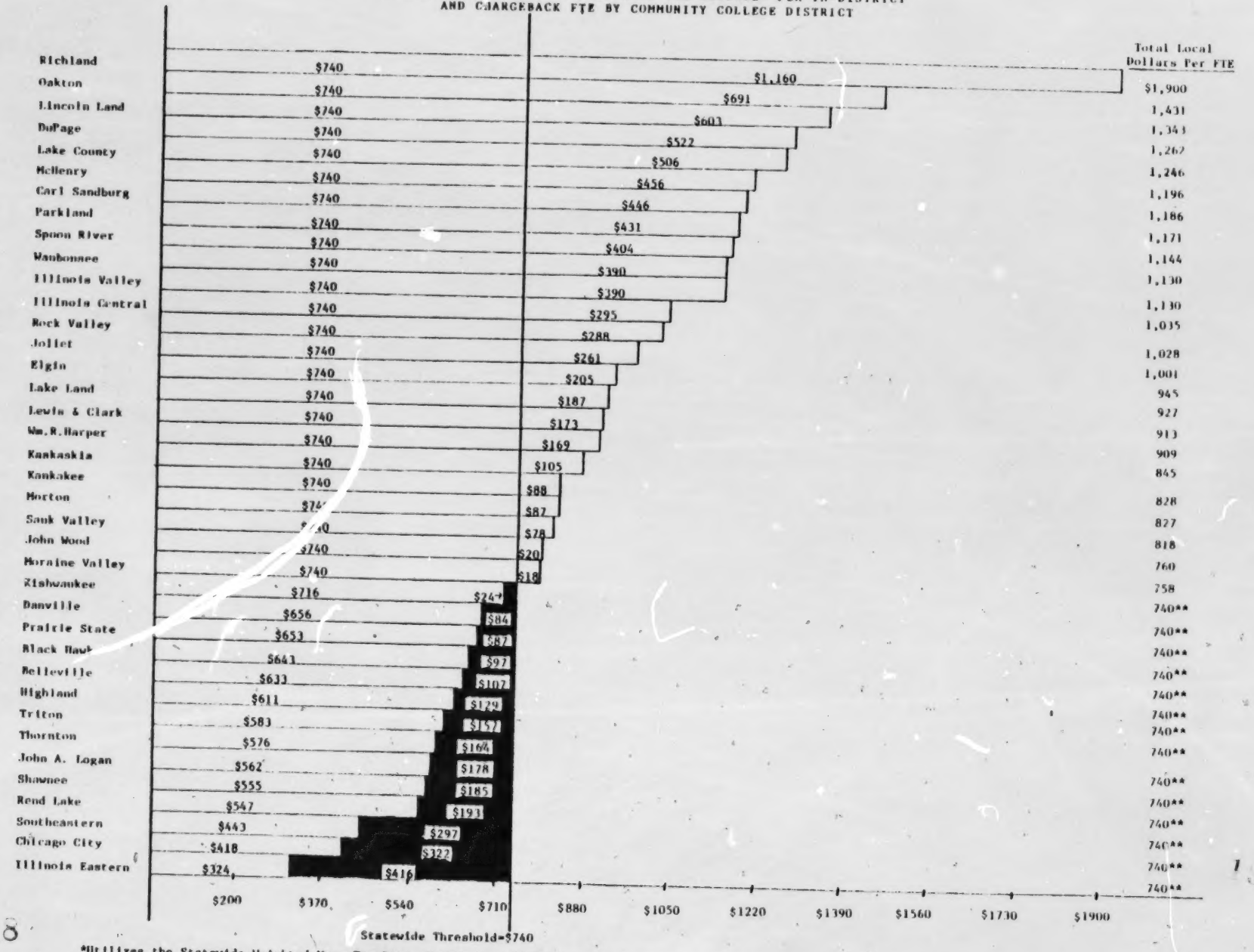
New Program Development

The community college system in Illinois is faced with serving many new types of students during the coming years. Many adults need retraining for new careers because their jobs have become obsolete due to changing technology and automation. Community colleges must respond to the needs of such people and must make sure that the educational programs that they offer will be current and responsive to changes in society and in technology. For these reasons, it is imperative that community colleges put a high priority on the development of new programs. Some educational programs are very costly to develop, especially for small colleges and colleges with limited financial resources. For this reason the ICCB is requesting new program development grants which would provide state assistance to colleges for developing and initiating high priority programs at their colleges.

Illinois Community College Board

Figure 3

THEORETICAL FY1980 ACCRUED LOCAL TAX REVENUE* PER IN-DISTRICT AND CHARGEBACK FTE BY COMMUNITY COLLEGE DISTRICT


Total Local Dollars Per FTE
Richland $740 $1,160 $1,900
Oakton $740 $691 1,431
Lincoln Land $740 $603 1,343
DuPage $740 $522 1,262
Lake County $740 $506 1,246
McHenry $740 $456 1,196
Carl Sandburg $740 $446 1,186
Parkland $740 $431 1,171
Spoon River $740 $404 1,144
Wanbonsee $740 $390 1,130
Illinois Valley $740 $390 1,130
Illinois Central $740 $295 1,035
Rock Valley $740 $288 1,028
Joliet $740 $261 1,001
Elgin $740 $205 945
Lake Land $740 $187 927
Lewis & Clark $740 $173 913
Wm.R.Harper $740 $169 909
Kaskaskia $740 $105 845
Kankakee $740 $88 828
Morton $740 $87 827
Sauk Valley $740 $78 818
John Wood $740 $20 760
Moraine Valley $740 $18 758
Kishwaukee $716 $74 740**
Danville $656 $84 740**
Prairie State $653 $87 740**
Black Hawk $643 $97 740**
Belleville $633 $107 740**
Highland $611 $129 740**
Triton $583 $157 740**
Thornton $576 $164 740**
John A. Logan $562 $178 740**
Shawnee $555 $185 740**
Rend Lake $547 $193 740**
Southeastern $443 $297 740**
Chicago City $418 $322 740**
Illinois Eastern $324 $416 740**
$200 $370 $540 $710 $880 $1050 $1220 $1390 $1560 $1730 $1900
Statewide Threshold=$740

*Utilizes the Statewide Weighted Mean Tax Rate of 18.9¢ per $100 of assessed valuation and does not consider collection losses.

**Includes tax base & CPPTRR Equalization Funding

IV. CALCULATION OF THE FY 1982 OPERATING BUDGET REQUEST

A. Systemwide Operating Budget

Credit Hour Grant Funding Formula

The basic concept of the Illinois community college credit hour grant funding formula is that the ICCB (which represents the State of Illinois) should fund the difference between the cost of the various instructional credit courses provided by the community college system and the resources which are available from other sources of revenue, including local taxes, student tuition, federal funds, other State funding not appropriated through the ICCB, and other local sources.

The methodology utilized to determine the amount to be funded through ICCB credit hour grants is complex in computational details but rather simple in concept. Resource requirements for the budget year are projected and then federal, local, tuition and state revenues (other than ICCB credit hour grants) are estimated. The difference between the projected resource requirements and the other estimated sources of revenue to meet those requirements is the amount to be funded through ICCB credit hour grants.

The method of distribution of credit hour grants is based on determining the projected unit cost for each of seven instructional categories, subtracting all other sources of revenue (on a per credit hour basis) which are applicable to each category, and then determining the amount per credit hour necessary to be provided by the ICCB. This grant amount per credit hour for each individual category is referred to as a credit hour rate. Consequently, the sum of each of seven credit hour rates times the latest actual known enrollment in each of the seven instructional categories equals the total amount of credit hour grants.

Determination of Resource Requirements

The calculation of instructional resource requirements for FY 1982 is based upon the unit cost study for FY 1980 adjusted for inflationary cost increases from FY 1980 to FY 1982.

The inflationary factor of 10% for staff compensation and general cost increases used in the FY 1982 Operating Budget Request was obtained from projections for FY 1982 by Chase Econometrics and Data Resources, Inc. The salary increase is based on an attempt to provide enough funds in the budget request for salary increases equal to the cost of living for all community college staff.

One of the very high cost items for the public community colleges during the past year has been the cost of utilities. With the rates for fuel oil, electricity and natural gas still increasing, the ICCB is utilizing an 18% inflationary factor in this area for FY 1982. This percentage increase in utility costs was obtained from the community colleges' projections in their individual planning documents for FY 1982.

The inflationary factor of 15% for library materials used in the FY 1982 Operating Budget Request was obtained from the Halstead's Higher Education Price Index for FY 1980.

These inflationary factors are weighted to determine an overall inflationary factor for FY 1982 of 10.42%. The inflationary factor of 7.87% for FY 1981 is the one provided for in the FY 1981 appropriation. Using these two factors, the provision for inflation totals 19.11% for the two year period.

The ICCB has also determined that special attention needs to be given to certain other financial needs of the community college system in FY 1982. These special funding needs include: 1) $500,000 to be applied at the rate of approximately 10¢ per credit hour in the FY 1982 Operating Budget Request for funding of energy audits and energy conservation maintenance in an effort to reduce the level of energy consumption and to offset the effects of cost increases in these areas; 2) $500,000 for new program development funds to be provided to community colleges to offset the initial start-up and operating cost of new programs which are determined to be of high priority during their first two years of operation.

Adding these additional funds, which were not included in the FY 1980 unit cost, to the product of the latest known enrollments, which is 172,384 FTE in FY 1980, multiplied by the projected FY 1982 unit cost of $77.83 brings the FY 1982 instructional resource requirements to a total of $403,499,400.

Public service resource requirements are determined by applying the two year inflationary factor to FY 1980 public service expenditures as reported in the unit cost study. The FY 1982 public service resource requirements total $23,235,500.

The total resource requirements for FY 1982 amount to $426,734,900 and are displayed on Table IV-1 on page 15.

Determination of Local Tax Contribution

Table IV-2 on page 16 displays the calculation of the standard local contribution from tax revenues. The average assessed valuation for two calendar years, 1980 and 1981, is used to calculate the standard contribution from local tax extensions. The projections of equalized assessed valuation (EAV) for these years are based upon the average increase in EAV's for real estate and other property (without corporate assessments) for the past three years (1977, 1978, and 1979), which is 8.4% annually. Assessed valuations for two years are used in this calculation in order to reflect delays experienced by local districts in the receipt of tax funds.

Accrued tax extensions are adjusted to reflect equalization funding, collection losses and non-district chargebacks. After these adjustments, the standard tax contribution from local sources is projected to be $97,560,600. The amount of $5,161,900, which is equivalent to one cent of the weighted average tax rate, has been set aside for public service activities.

Illinois Community College Board

Table IV-1

CALCULATION OF FY 1982 RESOURCE REQUIREMENTS
FOR ILLINOIS COMMUNITY COLLEGES

	FY 1982 Percentage of Total Cost	FY 1981 Cost Increase
Staff Compensation	74.7%	10%
Utilities	4.9%	18%
Library Materials	.6%	15%
General Cost Increase	19.8%	10%
FY 1982 Weighted Cost Increase		1.1042
FY 1981 Weighted Cost Increase		x 1.0787
Two-Year Cost Increase		1.1911

FY 1980 Unit Cost		$ 65.34
Two-Year Cost Increase		x 1.1911
FY 1982 Projected Unit Cost		$ 77.83
FY 1980 Actual Credit Hours		x 5,171,520
		$ 402,499,400
Energy Conservation Grants		+ 500,000
New Program Development Grants		+ 500,000
FY 1982 Resource Requirements for Instruction		$ 403,499,400
FY 1980 Public Service Expenditures	$19,507,600	
Two-Year Cost Increase	x 1.1911	
FY 1982 Resource Requirements for Public Service	$23,235,500	$ 23,235,500
FY 1982 TOTAL RESOURCE REQUIREMENTS		$ 426,734,900

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Illinois Community College Board

Table IV-2

FY 1982
CALCULATION OF THE STANDARD
LOCAL CONTRIBUTION FROM TAXES AND
TUITION FOR ILLINOIS COMMUNITY COLLEGES

Tax Contribution

Projected 1980 Equalized Assessed Valuation	$ 62,525,584,375
Projected 1981 Equalized Assessed Valuation	$ 67,780,271,401
	$130,305,855,776
	÷ 2
Average 1980/1981 EAV (Cash Basis for FY 1982 Tax Revenues)	65,152,927,888
FY 1980 Weighted Average Tax Rate	x .00189
Average 1981/1982 Accrued Tax Extension	$ 123,139,000
FY 1982 Equalization Funding	- 25,043,500
	98,095,500
Collection Losses @ 2%	- 1,961,900
	96,133,600
Non-District Chargebacks	+ 1,427,000
Standard Tax Contribution from Local Sources	$ 97,560,600

Tuition Contribution

FY 1982 Projected Non-ABE/ASE Unit Cost	$ 83.44
Percentage of Projected Non-ABE/ASE Unit Cost for Tuition Contribution	x .19
Tuition Contribution Rate Per Credit Hour	$ 15.85
FY 1980 Actual Non-ABE/ASE Credit Hours	x 4,272,144
Standard Tuition Contribution	$ 67,713,500

Because of legislation in 1979 regarding corporate personal property tax replacement revenues, the EAV's for corporate property have been removed from the standard local tax contribution calculation. Based upon information from the Department of Revenue, it has been estimated that $19,585,800 will be received by the community colleges in FY 1982 from corporate replacement revenues. However, since a proportionate share of corporate EAV's to total EAV's for each district must be applied to debt service first, the total estimated amount of corporate replacement revenues for operating purposes for the community college system is projected to be $15,036,300.

Determination of Standard Tuition and Fees Contribution

Table IV-2 also displays the calculation for the standard tuition and fees contribution. This calculation is based upon the weighted average tuition and fees rate of $15.85 charged by community colleges for Fall 1980 (FY 1981). No increase in the FY 1981 rate is projected for FY 1982 so that districts already at or above the weighted average will not be required by the funding formula to raise tuition further. The $15.85 weighted average is 19% of the projected FY 1982 unit cost for all categories except ABE/ASE. The new funding forumla provides for a maximum of 20% of the projected unit cost for all categories except ABE/ASE. Also tuition and fees will not be charged for ABE/ASE credit hours in the funding formula. Therefore, these hours have been subtracted from the total credit hours in order to determine the standard tuition and fees contribution. The total standard tuition and fees contribution is projected to be $67,713,500 in FY 1982.

Table IV-3 on page 18 displays the total estimated sources of revenue for instructional activities and for public service activities. Of the instructional revenues, 26% are provided by the standard local tax contribution, chargebacks and corporate personal property tax replacement revenue, 17% are provided by student tuition and fees, 16% are provided by miscellaneous federal, state and local revenues, and 41% are provided by the ICCB. It should be noted that State retirement funds, funding for the State Community College of East St. Louis, and funds for the administration of the ICCB Office are not included in this 41% figure.

Credit Hour Grants to Colleges

The projected FY 1982 unit cost per credit hour, the sources of revenue which constitute the unit cost, the FY 1982 credit hour rates and the credit hour grants for each of the seven instructional categories are displayed on Table IV-4 on page 19. The credit hour grant rate recommended for each category of instruction is the difference between the projected FY 1982 cost per credit hour and the standard local contribution from taxes, corporate personal property tax replacement revenue, other federal, state, and local revenues, tuition and fees, State Board of Education funding, and the funds provided by the ICCB for equalization and disadvantaged student grants on a per credit hour basis. The total amount of credit hour grants requested is $134,896,300.

Illinois Community College Board

Table IV-3

FY 1982
SOURCES OF REVENUE FOR ILLINOIS COMMUNITY COLLEGES

(In Thousands of Dollars)

	Instruction	Per Credit Hour	Public Service	Total
Tax Contribution from Local Sources	$ 92,398.7	$17.87	$ 5,161.9	$ 97,560.6
Tax Contribution Support by Equalization	23,718.4	4.59	1,325.1	25,043.5
Corporate Personal Property Replacement Tax	15,036.3	2.91	-0-	15,036.3
Tuition and Fees	67,713.5	13.09	-0-	67,713.5
Miscellaneous Federal, State and Local Revenues	43,535.6	8.42	16,748.5	60,284.1
SBE Vocational Grants	15,400.0	2.98	-0-	15,400.0
SBE Grants for Adult Education	4,700.0	.91	-0-	4,700.0
Disadvantaged Student Grants	5,600.0	1.08	-0-	5,600.0
New Program Development	500.0	.10	-0-	500.0
Credit Hour Grants	134,896.9	26.08	-0-	134,896.9
TOTAL	$403,499.4	$78.03	$23,235.5	$426,734.9

Illinois Community College Board

Table IV-4

DISTRIBUTION OF FY 1982 CREDIT HOUR GRANTS
AT THE ICCB REQUEST LEVEL

	BACC.	BUS.	TECH.	HEALTH	R/D	ABE/ASE	GEN. STU.	TOTAL
FY80 ACTUAL UNIT COST	$ 69.17	$ 64.44	$ 77.41	$ 101.08	$ 64.87	$ 43.43	$ 48.91	$ 65.34
TWO YEAR INFLATIONARY INCREASE	x 1.1911	x 1.1911	x 1.1911	x 1.1911	x 1.1911	x 1.1911	x 1.1911	x 1.1911
FY82 BASIC UNIT COST	$ 82.39	$ 76.75	$ 92.20	$ 120.40	$ 77.27	$ 51.73	$ 58.26	$ 77.83
ENERGY NEEDS	+ .10	+ .10	+ .10	+ .10	+ .10	+ .10	+ .10	+ .10
FY82 PROJECTED UNIT COST	$ 82.49	$ 76.85	$ 92.30	$ 120.50	$ 77.37	$ 51.83	$ 58.36	$ 77.93
LESS:								
STANDARD LOCAL TAX CONTRIBUTION	- 17.87	- 17.87	- 17.87	- 17.87	- 17.87	- 17.87	- 17.87	- 17.87
CORPORATE PERS. PROPERTY REPLACEMENT REV.	- 2.91	- 2.91	- 2.91	- 2.91	- 2.91	- 2.91	- 2.91	- 2.91
ICCB EQUALIZATION FUNDING	- 4.59	- 4.59	- 4.59	- 4.59	- 4.59	- 4.59	- 4.59	- 4.59
ICCB DISADVANTAGED STUDENT GRANTS	- 1.08	- 1.08	- 1.08	- 1.08	- 1.08	- 1.08	- 1.08	- 1.08
OTHER FEDERAL, LOCAL AND STATE REVENUE	- 8.42	- 8.42	- 8.42	- 8.42	- 8.42	- 8.42	- 8.42	- 8.42
STANDARD TUITION/FEES CONTRIBUTION a)	- 15.85	- 15.85	- 15.85	- 15.85	- 15.85	-0-	- 15.85	- 13.09
SBE DAVTE GRANTS b)	-0-	- 5.26	- 10.52	- 17.54	-0-	-0-	-0-	2.98
SBE ABE/ASE GRANTS c)	-0-	-0-	-0-	-0-	-0-	5.23	-0-	.91
FY82 CREDIT HOUR RATE	$ 31.77	$ 20.87	$ 31.06	$ 52.24	$ 26.65	$ 11.73	$ 7.64	$ 26.08
FY80 CREDIT HOURS	x 2,198,825	x 701,514	x 691,900	x 252,464	x 98,674	x 899,376	x 328,767	x 5,171,520
FY82 TOTAL CREDIT HOUR GRANTS	$ 69,856,700	$14,640,600	$21,490,400	$13,188,700	$2,629,700	$10,549,700	$2,511,800	$134,896,900

a) Applies to all categories except ABE/ASE
b) Applies only to Business, Technical and Health Categories
c) Applies only to ABE/ASE category

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ICCB Equalization Funding

The calculation of equalization grants for FY 1982 is based upon the following factors:

1. Tax base equalization grants are calculated based upon a district-by-district analysis of the equalized assessed valuation per in-district FTE student during FY 1980. Based upon total FY 1980 in-district and chargeback enrollments of 167,065 FTE, a statewide weighted mean tax rate of 18.9 cents per $100 of assessed valuation applied to the total 1979 EAV's, which are $57.7 billion, would generate $653 per eligible student.

2. Based upon total FY 1980 apportionment FTE of 172,384, corporate personal property tax replacement revenue totaling $15,036,300 amounts to $87 per student.

   When the two amounts of $653 and $87 are combined, the statewide threshold of $740 per eligible student becomes the standard amount of local tax revenue which is expected to be available from each community college district. There are 14 districts which are unable to generate this amount of funding per student and therefore they qualify for equalization assistance, which totals $24,305,757.

3. Four community college districts are eligible for tax rate equalization funding, which totals $737,733.

The total equalization funding in the FY 1982 ICCB Operating Budget Request amounts to $25,043,500. The amount of $1,325,100, which is equivalent to one cent of the weighted average tax rate, has been designated for public service activities.

ICCB Disadvantaged Student Grants

The FY 1982 ICCB Operating Budget Request includes $5.6 million for Disadvantaged Student Grants. The basic grant awarded to each college upon approval of a Disadvantaged Student Grant program will be $20,000 per college. The remaining funds will be allocated on the basis of FY 1980 credit hours of instruction taught in Remedial/Developmental and ABE/ASE courses and amount to approximately $4.59 per credit hour of instruction in these categories.

Total ICCB Apportionment Grants to Colleges

Table IV-5 on page 21 provides the summary of all ICCB apportionment grants, including credit hour grants, equalization grants, and Disadvantaged Student Grants by community college district. The total of all ICCB apportionment grants for the Illinois Community College System in the FY 1982 ICCB Operating Budget Request amounts to $165,540,400.

Illinois Community College Board

Table IV-5

FY 1982 TOTAL APPORTIONMENT GRANTS BY COMMUNITY COLLEGE DISTRICT
AT THE ICCB BUDGET REQUEST LEVEL

Dist. No.	District Name	FY 1982 Cr. Hr. Grants ICCB Level	FY 1982 Reg. Equal. ICCB Level	FY 1982 Tax Rate Equal. ICCB Level	FY 1982 Disad. Stu. Grant ICCB Level	FY 1982 Total Grants ICCB Level
501	Kaskaskia	$ 1,300,205	$ -0-	$ -0-	$ 25,144	$ 1,325,349
502	DuPage	7,371,359	-0-	-0-	64,615	7,435,974
503	Black Hawk	3,634,930	459,953	345,741	209,693	4,651,317
504	Triton	7,441,635	1,194,175	-0-	92,514	8,728,324
505	Parkland	3,534,228	-0-	-0-	39,852	3,574,080
506	Sauk Valley	1,536,109	-0-	62,233	31,174	1,629,516
507	Danville	1,575,417	154,880	-0-	40,829	1,771,126
508	Chicago	32,395,604	17,881,450	-0-	3,560,116	53,837,170
509	Elgin	2,249,738	-0-	-0-	59,194	2,308,932
510	Thornton	3,446,480	659,800	119,465	128,541	4,354,286
511	Rock Valley	3,049,333	-0-	-0-	38,094	3,087,427
512	Harper	6,192,835	-0-	-0-	76,393	6,269,228
513	Ill. Valley	2,201,059	-0-	-0-	28,563	2,229,622
514	Ill. Central	4,970,779	-0-	-0-	56,546	5,027,325
515	Prairie State	2,706,844	254,328	-0-	30,674	2,991,846
516	Waubonsee	1,941,673	-0-	-0-	43,610	1,985,283
517	Lake Land	2,212,048	-0-	-0-	32,739	2,244,787
518	Carl Sandburg	1,276,988	-0-	-0-	28,370	1,305,358
519	Highland	1,204,477	201,717	-0-	32,275	1,438,469
520	Kankakee	1,460,487	-0-	-0-	62,498	1,522,985
521	Rend Lake	1,636,953	302,763	-0-	31,101	1,970,817
522	Belleville	4,378,119	526,846	209,294	81,569	5,195,828
523	Kishwaukee	1,322,245	36,550	-0-	45,322	1,404,117
524	Moraine Valley	4,583,717	-0-	-0-	78,765	4,662,482
525	Joliet	4,649,565	-0-	-0-	100,558	4,750,123
526	Lincoln Land	2,770,966	-0-	-0-	29,320	2,800,286
527	Morton	1,446,082	-0-	-0-	29,045	1,475,127
528	McHenry	1,293,512	-0-	-0-	29,173	1,322,685
529	Ill. Eastern	4,259,771	1,779,670	-0-	107,524	6,146,965
530	Logan	1,507,315	342,475	-0-	28,655	1,878,445
531	Shawnee	844,849	189,343	-0-	38,457	1,072,649
532	Lake County	4,071,917	-0-	-0-	63,884	4,135,801
533	Southeastern	1,576,994	321,754	-0-	28,563	1,927,311
534	Spoon River	948,742	-0-	-0-	32,298	981,040
535	Oakton	3,464,697	-0-	-0-	74,828	3,539,525
536	Lewis & Clark	2,147,911	-0-	-0-	54,944	2,202,855
537	Richland	922,010	-0-	-0-	36,644	958,654
539	John Wood	1,339,931	-0-	-0-	27,916	1,367,847
	TOTALS	$134,867,524	$24,305,704	$737,733	$5,600,000	$165,510,961

SOURCE OF DATA: FY 1982 ICCB Budget Request

Adjustment for Rounding 29,439

$165,540,400

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B. State Community College of East St. Louis

The budget request for State Community College of East St. Louis for FY 1982 totals $5,234,200, including $3,404,400 of State General Revenue Funds for regular college operations, an SCC Income Fund projection of $315,000, and SCC Contracts and Grants in the amount of $1,514,800.

A further explanation of the SCC FY 1982 General Revenue Fund Budget follows:

Personal Services--The personal services request is an increase from $2,495,300 in FY 1981 to $2,595,900 in FY 1982 (an increase of 4%). However, SCC will be able to provide salary increases in excess of 4% by not filling vacated positions or filling them at lower salary levels.

Contractual Services--The contractual services request has increased from $325,000 in FY 1981 to $333,000 in FY 1982, an increase of 2.5%. This increase represents normal increases in contractual obligations which are affected by inflation.

Travel Expenses--No change from FY 1981.

Commodities--The commodities request is $40,000 for FY 1982. This is a 100% increase over the $20,000 appropriation for FY 1981. Most of this increase is for purchase of small equipment items (less than $50) needed as the College moves into its new facilities.

Printing--No change from FY 1981.

Equipment--No change from FY 1981.

Electronic Data Processing--No change from FY 1981.

Telecommunications--The telecommunications request includes an increase from $30,000 in FY 1981 to $50,000 in FY 1982. This additional $20,000 is needed to accommodate rate increases already in effect and those programmed for FY 1982.

Operation of Automotive Equipment--No change from FY 1981.

Awards and Grants--No change from FY 1981.

Moving Expenses--A special line item is being included in the FY 1982 request to provide for moving expenses. This includes $40,000 for actual moving expenses and $85,000 for large equipment such as grounds maintenance equipment. This line item will be restricted to use only with prior authorization of the ICCB.

Building Maintenance--Another special line item is being included for necessary repair work at the Officer Building. An estimated $45,000 is needed for roof repair, tuckpointing, basement wall waterproofing,

painting and caulking of windows, and other minor maintenance. This line item will also be restricted and available only for expenses associated with maintenance of the Officer Building.

The table below shows a summary of the FY 1982 request for SCC in comparison to the FY 1981 appropriation:

	Appropriated FY 1981	Requested FY 1982
General Revenue Fund:		
Operating	$3,085,800	$3,234,400
Restricted - Moving	---	125,000
Restricted - Maintenance	---	45,000
Subtotal	(3,085,800)	(3,404,400)
Contracts/Grants Fund:		
Operating (DAVTE)	86,000	86,000
Other	1,428,847	1,428,800
Subtotal	(1,514,847)	(1,514,800)
Income Fund:	325,000	315,000
Total	$4,925,647	$5,234,200

Table IV-6 on the next page shows a detailed line item for the FY 1982 budget request for SCC compared to the FY 1981 appropriation by general revenue fund, income fund and contracts and grants.

Illinois Community College Board

Table IV-6

A COMPARISON OF THE FY 1982 BUDGET REQUEST FOR
STATE COMMUNITY COLLEGE WITH FY 1981 APPROPRIATIONS BY OBJECT

FY 1981 Appropriation

	General Revenue Fund: Regular College Operations	General Revenue Fund: Building Repairs & Moving Expenses	SCC Income Fund	SCC Contracts and Grants	Grand Totals
Personal Services	$2,495,300	$ ---	$ ---	$ 553,588	$3,048,888
Retirement	---	---	---	60,000	60,000
Insurance	---	---	---	10,000	10,000
Contractual Services	325,000	---	68,990	205,175	599,165
Travel Expenses	10,000	---	17,000	27,358	54,358
Commodities	20,000	---	30,000	47,861	97,861
Printing	17,500	---	2,500	2,075	22,075
Equipment	17,000	---	2,000	26,700	45,700
Electronic Data Processing	58,000	---	2,000	5,000	65,000
Telecommunications	30,000	---	2,000	5,150	37,150
Operation of Autos	10,000	---	5,000	---	15,000
Contingencies	---	---	---	---	---
Awards and Grants	103,000	---	160,510	571,940	835,450
Refunds	---	---	35,000	---	35,000
Totals	$3,085,800	$ ---	$325,000	$1,514,847	$4,925,647

FY 1982 Budget Request

	General Revenue Fund: Regular College Operations	General Revenue Fund: Building Repairs & Moving Expenses	SCC Income Fund	SCC Contracts and Grants	Grand Totals
Personal Services	$2,595,900	$ ---	$ ---	$ 553,500	$3,149,400
Retirement	---	---	---	60,000	60,000
Insurance	---	---	---	10,000	10,000
Contractual Services	333,000	85,000*	45,518	200,000	663,518
Travel Expenses	10,000	---	20,000	28,000	58,000
Commodities	40,000	---	30,000	48,000	118,000
Printing	17,500	---	7,500	5,000	30,000
Equipment	17,000	85,000	15,000	26,700	143,700
Electronic Data Processing	58,000	---	---	5,000	63,000
Telecommunications	50,000	---	15,000	10,000	75,000
Operation of Autos	10,000	---	15,000	10,000	35,000
Contingencies	---	---	---	---	---
Awards and Grants	103,000	---	131,982	558,600	793,582
Refunds	---	---	35,000	---	35,000
Totals	$3,234,400	$170,000	$315,000	$1,514,800	$5,234,200

*This amount includes $40,000 for moving expenses and $45,000 for repairs to the Officer Building.

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C. ICCB Office

Listed below are the justification and explanation of the FY 1982 budget request for the ICCB Office. A comparison of the line item amounts of the FY 1982 budget request with the actual amounts provided in the FY 1981 appropriations is found in Table IV-7 on page 27.

Personal Services--The budget request includes one additional position for FY 1982 to assist in the Planning for the 1980's Project, conduct other analytical studies, assist with special projects, and/or assist with the analysis and processing of requests for approval of new units of instruction in the baccalaureate program area. The request includes a 10% salary increase in FY 1982.

Contractual Services--This object classification has increased significantly in FY 1982 due in part to the following:

a. Acquisition of additional space during FY 1981 (5,819 square feet to 6,499 square feet);
b. Renovating costs for improving the space in FY 1982;
c. Increased travel expenses for non-state employees who serve on various ICCB ad hoc committees;
d. Other items such as legal services, postage, insurance, etc., which will be tied to an inflationary increase of approximately 9%;
e. Increased funds for staff development activities, including in-service workshops;
f. Acquisition of a distribution of the 1980 U.S. Census Data for Illinois by community college district for use by the ICCB and the local colleges in planning; and
g. Increase in rental and maintenance costs for word processing and other equipment.

Travel--Travel costs continue to rise during FY 1981 and are expected to increase in FY 1982. There are no plans by the Higher Education Travel Control Board to increase rates during FY 1981 but during FY 1982 there may be some increase. Funds in the amount of $33,705 have been appropriated for travel in FY 1981. The Planning for the 1980's Project will have a considerable impact on travel for FY 1982. The FY 1982 recommendation for travel is $39,386.

Equipment--Following a policy of replacing one typewriter each year, it will be necessary this year to replace two calculators now being used by the ICCB staff. The staff plans to implement a records retention system through the purchase of microfilm equipment over the next three years at a cost of approximately $2,000 each year. It is also necessary to replace some items of office equipment due to wear and tear over the years (chairs, desks, etc.). The ICCB is also planning the purchase of an automobile for staff usage during FY 1982.

Commodities, Telecommunications, and Printing--An inflationary cost increase of approximately 9% used for these line items in accordance with the Consumer Price Index and other sources of projected price increases.

The budget does show a reduction in commodities and an increase in printing, but this is due to an internal procedure to purchase xerox paper from the line item of printing rather than commodities in accordance with the CUSAS Manual.

Operation of Automotive Equipment--With the addition of an automobile for staff use, the ICCB is requesting $2,000 for the operation and maintenance of this automobile.

Electronic Data Processing--This object classification includes a 10% salary increase in EDP personnel and an approximate 9% inflationary cost increase for EDP supplies, such as paper and ribbons. The current contract with the University of Illinois provides for computer usage on an annual basis at a flat rate of $46,500; however, officials at the University of Illinois have been contacted, and it appears that there will be an additional adjustment of 5% for FY 1982.

Funds for the upgrading of the ICCB MIS are also being requested. Initial planning and design work is being proposed for FY 1982 along with program conversions and updates with major projects to follow over the next three years. The ICCB is requesting $25,000 for this purpose during the first year (FY 1982).

Illinois Community College Board

Table IV-7

FY 1982 ICCB OFFICE BUDGET REQUEST

	FY 1981 Actual			FY 1982 Requested		
	State	E.D.P.	Total Budget	State	E.D.P.	Total Budget
Personal Services	$595,526	$ 66,900	$662,426	$679,010	$ 73,803	$ 752,813
Contractual	119,437	63,727	183,164	145,822	95,408	241,230
Travel	33,705	-0-	33,705	39,386	-0-	39,386
Commodities	9,630	3,200	12,830	6,925	700	7,625
Printing	4,280	-0-	4,280	8,825	5,329	14,154
Equipment	3,210	-0-	3,210	10,500	-0-	10,500
Telecommunications	22,185	-0-	22,185	24,182	-0-	24,182
Operation of Automotive Equipment				2,000		2,000
TOTAL	$787,973	$133,827	$921,800	$916,650	$175,240	$1,091,890

12/5/80

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